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importance of his book. It is the product of an honest and philanthropic mind, and will probably take precedence both of Rae and Ely, as a contemporary's account of a social movement which must more nearly spend itself before its history can be written.

LEWIS J. HUFF.

The Stability of Prices. By SIMON N. PATTEN, Ph.D. Publications of the American Economic Association. Vol. III, No. 6. Baltimore, 1889. — 8vo, 64 pp.

In his *Premises of Political Economy* Professor Patten re-examined some of the cardinal theorems of economics from an original point of view and showed the necessity of making important corrections in many of the accepted doctrines, and especially in the Ricardian doctrine of rent. In the present monograph he greatly improves his account of rent and applies it to an explanation of the characteristically modern phenomena of great and frequent changes in the prices of commodities. The simple Ricardian theory of rent fully accords with fact only when land is devoted to a single use, as the growth of wheat. When people begin to vary their diet and the uses of land are multiplied, the economic gradation of agricultural lands disappears. The piece that was poorest for wheat may be best for corn; there is no longer a margin of no-rent land; so, although produce increases, there is no longer a natural condition determining its distribution. The secure income of each of the three factors of production, labor, capital and land, is the minimum sum that will just keep it in productive activity in undiminished quantity. The total produce greatly exceeds this minimum. The surplus would go to the landlords, if Ricardian conditions prevailed; but, as good land is no longer economically protected by poor land, surplus income has no certain distribution and becomes the means of first disturbing and then altogether destroying the old stability of prices. In the first effort to restore stability, surplus income is wasted in efforts to attract the attention of buyers through agents and advertising instead of by price cutting. A second attempt is the trust. A third will be made, as Professor Patten thinks, when the public takes the surplus in taxes to be devoted, through educational and other agencies, to raising the standard of living, which determines the minimum wages of labor. Before arriving at this point, Professor Patten prepares the way for such a plan of taxation by offering a general law of distribution, as follows:

Of the factors necessary for production, that factor which tends to increase at the slowest rate, will reduce the shares of the other factors to their lowest possible limits, will have the benefit of all improvements and must bear all permanent burdens.

Professor Patten regards labor as normally one of the rapidly increasing factors, and believes that wages must therefore fall to a minimum. He holds that there is no way of permanently raising wages but by raising the standard of living, and that the burden of taxation cannot fall on labor. Land he regards as normally the most slowly increasing factor.

These conclusions are questionable. Wages are evidently not at a minimum so long as labor is increasing faster than some other factor of production, and until they are at a minimum labor can be made to bear the burden of taxes. Taxes also check the accumulation of capital and so in another way operate to the disadvantage of labor. In whatever way we look at it it is difficult to see how the standard of living is to be raised save as wages are raised first. Professor Patten speaks in one place of actual rent as remaining for centuries above normal rent. May not actual wages remain for generations above mere subsistence wages and thereby afford means for continuously raising the standard of living? Certainly they may if capital is a more rapidly increasing factor of production than labor. And normal wages must be steadily rising wages, regardless of the standard of living, if labor, instead of land, is, after all, the most slowly increasing factor of production. And is it not? Has Professor Patten seen all the implications of his account of land? Does not the multiplication of the uses of land, which he so admirably describes, raise the intensive margin of cultivation faster than the diminishing returns of each particular crop lower both the intensive and the extensive margins together? Is it not a legitimate conclusion from his premises that land has become, and must henceforth continue to be, the most rapidly increasing factor of production, and that, therefore, falling prices of commodities, which he regards as an evil, cannot lower real wages but must increase them?

F. H. GIDDINGS.

Le Logement de l'Ouvrier et du Pauvre. États-Unis, Grande-Bretagne, France, Allemagne, Belgique. Par ARTHUR RAFFALOVICH. Paris, Guillaumin et Cie, 1887. — 8vo, 486 pp.

The social troubles of the old world are not only appearing in our country, they are growing apace. In 1838 the first tenement house in the United States was built in Gotham court, New York; to-day over one million of the inhabitants of New York are living in tenement houses. We are face to face with the problems which have been agitating Europe for half a century. How and where to lodge the poor has become well-nigh the most important municipal question in many modern cities.

M. Raffalovich, who is favorably known as the author of several recent